
1992 Wis Eth Bd 2
LOBBYING

Both organizations may be principals when one organization contracts with another for the latter's employee to lobby on the former's behalf. OEB 92-2

March 24, 1992

Facts

- [1] This opinion is based upon these understandings:
- a. An individual is employed by an association ("Association A").
 - b. A second association ("Association B") wants to contract with Association A for Association A's employee to lobby on Association B's behalf.
 - c. Association A and Association B have related interests.

Question

- [2] The Ethics Board understands your question to be:

Under the above circumstances, which association would be a lobbying principal, required to register under the lobbying law?

Discussion

[3] Under state law, a principal is defined as any organization that employs a lobbyist.¹ A lobbyist is an individual who is employed by, or contracts for or receives economic consideration (other than reimbursement of actual expenses) from a principal and whose duties include lobbying on behalf of the principal.²

¹ §13.62(12), *Wisconsin Statutes*, provides:

13.62(12) "Principal" means any person who employs a lobbyist. If an association, corporation or partnership engages a lobbyist, an officer, employee, member, shareholder or partner of the association, corporation or partnership shall not be considered a principal.

² §13.62(11), *Wisconsin Statutes*, provides:

13.62(11) "Lobbyist" means an individual who is employed by a principal, or contracts for or receives economic consideration, other than reimbursement for actual expenses, from a principal and whose duties include lobbying on behalf of the principal. If an individual's duties on behalf of a principal are not limited exclusively to lobbying, the individual is a lobbyist only if he or

[4] With respect to Association B, the employee would clearly be lobbying on that organization's behalf. It also appears that the employee would be receiving, at least indirectly, economic consideration from Association B through its contract with Association A. The situation is similar to that of a lobbyist working for a lobbying firm or law firm when fees are paid directly to the lobbying firm or law firm rather than to the individual doing the lobbying.

[5] With respect to Association A, the employee would clearly be receiving economic consideration from that organization. It also appears that the employee could be considered to be lobbying on Association A's behalf. Association A and Association B both seem to have a similar interest in the issue on which the employee would be lobbying. The two organizations appear to be acting in tandem to make the employee available for lobbying activities. And Association A is not like a lobbying firm or law firm whose employees can be expected to be hired to lobby on a variety of issues that do not affect the interests of the corporation or firms themselves.

Advice

[6] Under the circumstances outlined in your letter, it appears that both Association A and Association B are principals required to register under the lobby law.